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28 July 1955

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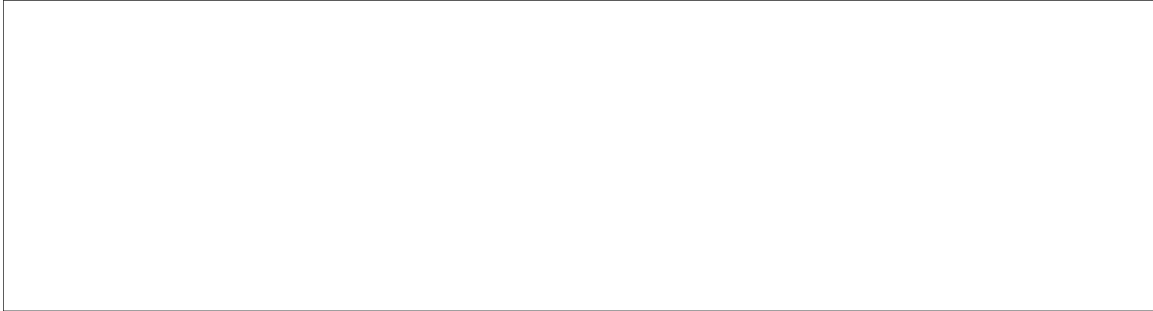
**CURRENT INTELLIGENCE BULLETIN**

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## **SUMMARY**

### **GENERAL**

1.

### **SOUTHEAST ASIA**

2. Ex-king Sihanouk reported appointed Cambodian chief of army operations (page 3).

### **WESTERN EUROPE**

3. Adenauer outlines plans for Moscow trip (page 4).  
4. Norwegian officials reportedly receive Soviet bid to visit Moscow (page 5).

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1.

**SOUTHEAST ASIA**

2. Ex-king Sihanouk reported appointed Cambodian chief of army operations:

[REDACTED] Cambodian prince Sihanouk was named chief of army operations on 25 July, [REDACTED]

[REDACTED] Sihanouk is now, in effect, commander in chief of the Cambodian security system and is in a position to control the country through the police as well as the army. [REDACTED]

Comment: Sihanouk abdicated the throne last March in favor of his parents in protest against what he regarded as unwarranted interference by foreign diplomats in Cambodia's internal affairs. His resentment was directed in particular against the Indian members of the International Control Commission, who had urged that he not proceed with plans to revise the constitution as a means of strengthening the monarchy.


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The prince has remained the most influential person in Cambodia, however, and his political party is campaigning for the national elections of 11 September on a platform calling for the implementation of his "reforms." Sihanouk is not a candidate, but the reported appointment, presumably engineered by himself, would enable him to ensure an overwhelming victory for his followers.

### WESTERN EUROPE

#### 3. Adenauer outlines plans for Moscow trip:

 Chancellor Adenauer told American officials at Geneva on 25 July that he will not "give up anything" when he visits the Soviet Union. He intends to go to Moscow around 8 September and wants to co-ordinate his plans with the United States before leaving.

Foreign Minister von Brentano fears the USSR may make attractive unification proposals, not in the hope of reaching agreement, but rather in the hope of discrediting Adenauer in the eyes of the West German people as the individual blocking German unity.

Adenauer is confident, however, that he can meet the unification issue successfully by pointing out that a Germany in NATO would want peace since its territory would inevitably be the first battlefield. If, on the other hand, the Russians broke up the unity of Western Europe, they would create conditions under which Germany could become as dangerous as it was in the past.

Comment: The USSR is likely to take a more positive approach on German unification with Adenauer than it did at Geneva, but without giving up its insistence on neutralization.

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4. Norwegian officials reportedly receive Soviet bid to visit Moscow:

[REDACTED]

The Soviet ambassador in Oslo has approached Norwegian foreign minister Lange several times this month urging him to accept an official invitation to visit Moscow. [REDACTED]

[REDACTED] The USSR reportedly proposed discussing trade and outstanding Soviet-Norwegian border problems.

Lange suggested talks on Norwegians in Soviet prisons.

According to the Norwegian Foreign Ministry, Prime Minister Gerhardsen was recently asked by the Soviet ambassador if he would accept an invitation to Moscow if one were extended. The Foreign Ministry believes that a similar approach will be made in Denmark. [REDACTED]

Comment: The Soviet Union has been making similar approaches to a number of non-Communist governments and the reported invitations probably do not imply that Norway is being singled out for special attention.

For some time the Norwegians have been interested in securing Soviet agreement on use of the Pasvik River, which forms the greater part of the Norwegian-Soviet boundary.

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**WEEKLY SUMMARY**  
(21-27 July 1955)

**THE FORMOSA STRAITS**

**Report of the IAC Current Intelligence Group  
for the Formosa Straits Problem**

1. The lull in the military situation continues. [ ]

2. The first echelon of the Chinese Nationalist 81st Infantry Division, totaling approximately 50 percent of the division's strength, arrived at Quemoy on 26 July from Formosa. Completion of this movement, scheduled for about mid-August, will increase the Quemoy garrison from five reinforced divisions to six, and will increase the garrison strength from 66,000 to 77,000. Both CINCPAC and MAAG opposed this move as the previous forces were considered adequate for mobile defense, and the additional troops and equipment would further complicate logistical support of the offshore islands. However, Chiang Kai-shek has said the movement was essential for maintaining the morale of the Nationalist forces and demonstrating determination to defend the islands.

When the division has completed its transfer, Nationalist garrisons on the offshore islands will total nearly 96,000--about 35 percent of MDAP-supported units. [ ]

3. Peiping hailed the summit conference as "opening a new road to international negotiation" and marking "the beginning of a new stage in the relaxation of international tension." Peiping noted, however, that "the question of Formosa and the restoration of China's legitimate rights in the UN, which were raised by the Soviet Union at the conference, were not discussed due to the obstruction of the US." [ ]

4. Peiping publicized the agreement on "ambassadorial" talks in Geneva between Communist China and the US to discuss the repatriation of civilians and "certain other practical matters," but has so far not otherwise commented. [ ]

5. A summary of military developments in Communist China during the period 30 June - 27 July is attached.

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## ANNEX

Following is a summary of significant military developments affecting the Formosa Straits area during the period 30 June - 27 July 1955.

### Ground:

Ground combat activity has continued to be slight in the area opposite Nationalist-held territory. On 20 July, the Communists fired a total of 224 artillery rounds, largest since 6 November 1954, against the Quemoy; however, the Nationalists expended a total of 645 rounds of artillery against Communist targets on the same day. This artillery exchange appears to have been a temporary flare-up as the situation since 20 July has returned to relative inactivity.

[REDACTED]

### Air:

The Chinese Communists continued their steady progress on development of the six airfields in the coastal area opposite Formosa. Chingyang and Lungchi Airfields may be completed sooner than previously estimated and may be serviceable about 1 August. Continued bad weather recently has prevented adequate aerial reconnaissance of the airfield sites.

[REDACTED]

Concurrent with development of this airfield complex, the Communists have been increasing the antiaircraft defenses of several target areas along the coast. The areas of concentration are: Shanghai (including its four airfields); the Nantai-Foochow area; the Amoy area; the new airfields at Chingyang, Chenghai, Lungtien, and Lungchi; and the Canton area (including Tienho and White Cloud Airfields). Emplacement of considerable numbers of both medium and light AAA weapons in these areas appears to be a short range and urgent attempt to improve the immediate Communist air defenses along the coast. The air defense build-up is probably designed to prevent Chinese Nationalist air reconnaissance over the coastal airfields, and other sensitive mainland areas. In the long run, it could provide close-in air defense of selected areas during open hostilities against Formosa.

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The existence of an early warning-GCI radar in the Nanchang area has been confirmed. Together with radar coverage along the Fukien coast, this will provide for continuous radar surveillance, within equipment limitations, from any point opposite the Formosa Straits to approximately 260 nautical miles inland. [REDACTED]

Transfer of BEAGLE (IL-28) jet light bombers to Manchuria from the USSR continued, with 15 more of these aircraft received in the past month. Three of them arrived on 19 July, the day after the opening of the summit conference. The total of such aircraft deliveries to Manchuria since late March has now reached 70. Although present evidence indicates that most of these aircraft have been allocated to the Chinese Communists, the possibility exists that some of them may be going to the North Koreans. [REDACTED]

#### Navy:

Some of the Soviet destroyers and submarines reported near Tsingtao in late June have apparently been transferred to the Chinese Communist Navy. Sightings at Tsingtao from 1 to 4 July and thereafter indicate that all four Gordiy-class destroyers there were flying Chinese Communist colors and it is probable that one of the four recently arrived submarines was also flying the Chinese Communist ensign. The expected transfer in the near future of the other three recently arrived Soviet submarines would increase Chinese Communist naval strength to a total of four destroyers and nine, possibly 11, submarines, one of which is nonoperational. The Chinese Communist capability to employ these ships effectively remains unknown. [REDACTED]

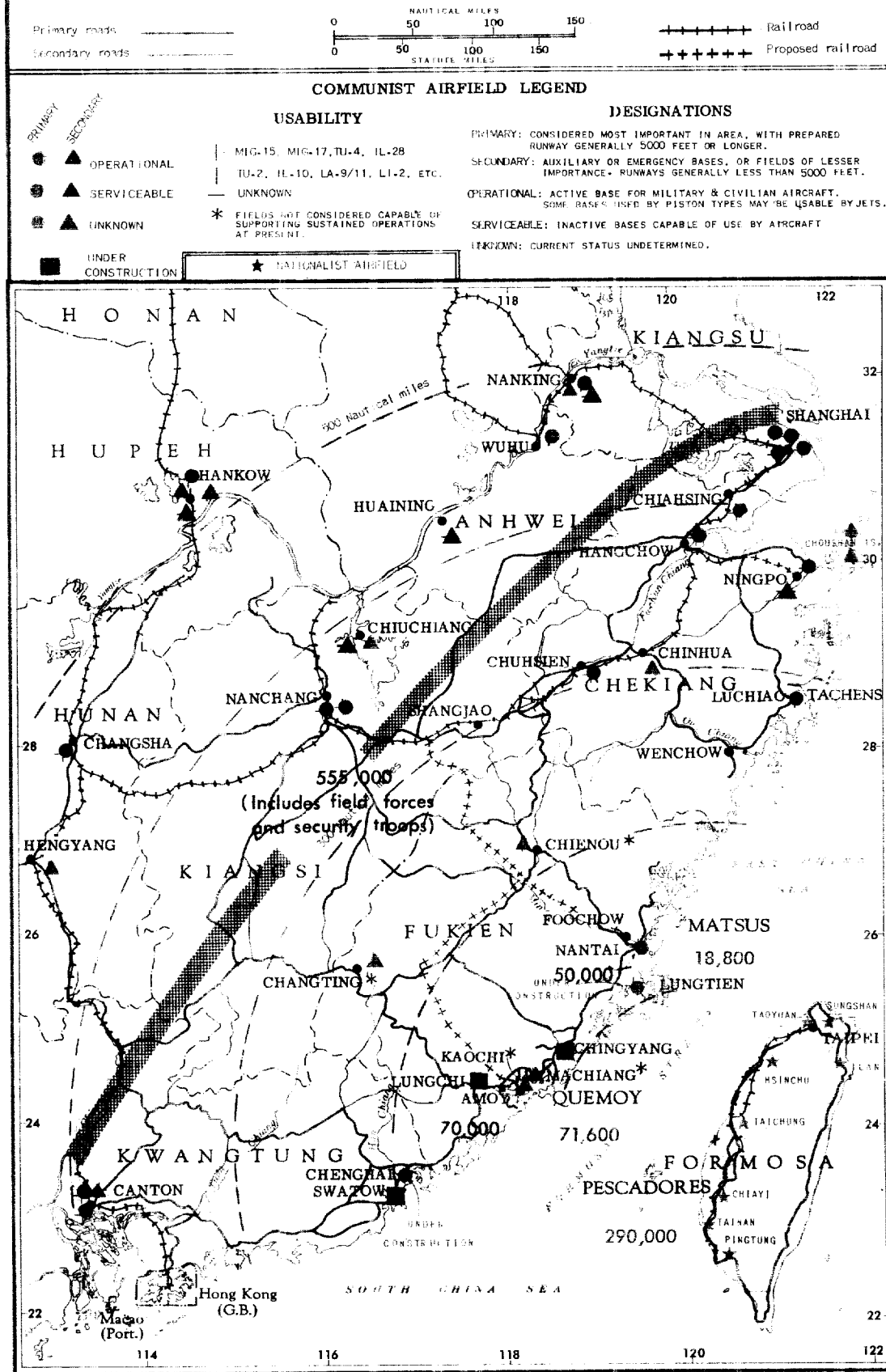
#### Logistics and Transportation:

Another Communist railway engineer division has moved to Fukien Province. This brings to four, and possibly five, the total of such divisions working on the projected rail lines to Amoy and Foochow. Photos show that the Communists had completed by early June at least 65 miles of cleared right of way in central Fukien along the line toward Amoy, and that preliminary work is under way along the line toward Foochow. [REDACTED]

Improvement of existing roads and the construction of new roads, particularly to the Peiling Peninsula north of the Matsu Islands have continued at a rapid pace. [REDACTED]

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## FORMOSA STRAITS SITUATION



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